



Office of the State Comptroller
PAYROLL BULLETIN

Subject 1985 Wage and Tax Statement	Bulletin No. P-457
	Date December 5, 1985

I WAGE AND TAX STATEMENTS PREPARED BY THE OFFICE OF THE STATE COMPTROLLER

A. W-2's for Machine Prepared Payrolls

For the year 1985 the State of New York will report wage and tax information for all employees paid on machine-prepared payrolls to the Federal Government, Social Security Administration and New York State (for State and City taxes) on magnetic tape under Employer Identification Number 14-6013200. Employee copies of W-2 Forms processed on tape will be prepared by the Office of the State Comptroller and mailed to agency payroll units for distribution before January 31, 1986.

Tax statement will show the agency code (but not the agency name) and the employee's line number to the right of the Federal ID Number in the Employer's Name and Address (Box 2) with a check sort code, if any. The Office of the State Comptroller uses a 3-part W-2 Form consisting of copies B, C and 2. Description of data requirements for each box of the 1985 W-2 Form are included in Part VII of this Bulletin.

W-2's generated from machine payrolls during the calendar year 1985 will include earnings paid on checks dated:

1. Institutions - 1/3/85 through 12/19/85
2. Administration - 1/09/85 through 12/24/85

In addition, if this Department prepares a typewritten payroll (AC-39) for an employee who is normally paid on a machine payroll, the Office of the State Comptroller will include these earnings and withholdings in the W-2 Form forwarded to the payroll agency.

An employee who has worked for more than one State agency during the year will receive a W-2 from each agency. Each W-2 will show the withholding and Social Security deductions made during his/her employment in that agency.

Listings - Alphabetical Listings and W-2 Summary Listings

In addition to the employees' W-2's, agencies will receive:

1. POL-23 - An alphabetical listing of all employees providing line number, name, address, Social Security Number and activity status (A-Active, I-Inactive).

2. PRG-16 - W-2 Payroll Summary Listing providing salary, Social Security wages and tax information as reported on the tax statements. The listing classifies employees first into active and inactive categories, and secondly into a missing address category. It will be necessary for the payroll agency to add the address on the tax form if it is missing. Missing addresses for active employees should be reported on an AC-1040 and submitted in the usual manner with your payroll forms for the next period.
3. PDL-27 - W-2 Adjustment Listing reporting all AC-230 Salary Refunds and miscellaneous adjustments which are processed after the last payrolls of the year are paid but before the W-2's are printed. The W-2's produced by the Office of the State Comptroller are adjusted by the amounts shown on the W-2 Adjustment Listing. It is not necessary to prepare a corrected W-2 for AC-230's and other adjustments reported on this listing.

B. Submission of AC-230 Refunds for Payrolls of 1985

In order that the refunds for 1985 checks be properly reflected in the W-2 issued each employee, the following deadlines must be adhered to:

- (a) For Institutions, submit AC-230's so that they will be received in the Office of the State Comptroller no later than December 24, 1985.
- (b) For Administration agencies, submit AC-230's so that they will be received in the Office of the State Comptroller no later than December 31, 1985.

If AC-230's are not received by these deadlines, the agency payroll unit will be responsible for replacing machine prepared W-2's with new W-2 Forms, showing the corrected information.

C. Tax Refund Requests

In order that all employees master records are up-to-date for the W-2 processing, the following deadlines for tax refunds have been made:

- (a) Institutions - December 5, 1985
- (b) Administrations - December 11, 1985

If the requests are not received by these deadlines, the employee must wait and submit on their year-end income tax returns.

D. Corrected and Reissued W-2's

1. Corrected Statements

When it is necessary for an agency to change the information on an Office of the State Comptroller W-2, a 6-part W-2 Form must be prepared by the agency and issued to the employee. Corrected W-2's must have "CORRECTION" entered in Box 5. Corrected W-2 Forms copies B, C and 2 are given to the employee. When you prepare corrected W-2 statements, a W-2 correction worksheet must also be completed. A supply of W-2 CORRECTION WORKSHEETS will be included with your W-2's for this year. If additional forms are necessary photocopies should be used.

The W-2 Correction Worksheet for 1985 must include the following information:

1. Agency Code
2. Employee's Name, Social Security Number and Line Number. (Use the line number that appears on the W-2 listing.)
3. The originally reported W-2 information.
4. The corrected W-2 amount(s).
5. The difference from the original W-2 and corrected W-2 amount(s).
6. Reason for the corrected W-2. The Reason Codes can be found on the bottom of the W-2 Correction Worksheet.

Submit corrections for money and non-money transactions on different Worksheets. DO NOT ISSUE Corrected W-2's for Social Security deficiencies. The Office of the State Comptroller will handle deficiencies. Return all copies of the original W-2, copies A, 1 and D of the corrected W-2 and 2 copies of the W-2 Correction Worksheet(s) to the Office of the State Comptroller as per instructions in Part IV of this Bulletin.

NOTE: When replacing a W-2, do not increase the Social Security wage or tax beyond the maximum amount. In cases where an employee's deductions for Social Security exceed the maximums (\$39,600 and \$2791.80 respectively) the Payroll Deduction Unit of the Office of the State Comptroller should be contacted (518-473-1989) so that a refund can be generated.

2. Reissued Statements

When a W-2 Form is lost or destroyed a substitute 6-part W-2 Form must be prepared by the agency and issued to the employee. It must be clearly marked "REISSUED STATEMENT". Copies B, C and 2 are given to the employee. Copies A, 1 and D are batched and sent to the Office of the State Comptroller as per instructions in Part IV of this Bulletin.

3. City University of New York

All City University of New York agencies should contact Jerry Glick concerning questions on W-2 reporting and issuance.

II RECONCILIATION

Individual machine prepared W-2 Forms should be matched line by line to the data appearing on the PRG-16, Payroll Summary of W-2's. Secondly, agencies should reconcile the total amounts withheld from machine and typewritten payrolls to the amounts deposited with governmental units by the Revenue Unit. The Revenue Unit will send you Withholding Tax Transmittal and a final machine prepared PR-7 Withholding Tax Report which should be used in the reconciliation process.

In order to reconcile the year-to-date totals on the PRG-16, Payroll Summary of W-2's to the PR-7, Withholding Tax Report (deposits) the following adjustments may be necessary:

1. Add deduction data for all 1985 typewritten payrolls which should have appeared on the Office of the State Comptroller's machine payrolls.
2. Deduct salary refunds applying to 1985 earnings submitted after the refund deadline dates.
3. Add or deduct Special Charge Voucher data or W-2 adjustments processed after the refund deadline dates.
4. Deduct Earned Income Credit amounts shown on the PRG-16. The Federal Withholding amounts on the PR-7 are not reduced by the Income Credit.

These adjustments, including amounts from additional W-2's you have prepared (do not count replacement items), should be entered on the 1985 Withholding Tax Transmittal Form; the form should be signed and returned to the Revenue Unit. Any questions concerning this reconciliation should be directed to the Revenue Unit. See Section VI of this Bulletin for contact.

III W-2's PREPARED BY AGENCIES

Original W-2's prepared by agencies must be on the 6-part form supplied by OSC. Show the agency code (but not the name) and the employee's line number to the right of the Federal ID Number in the Employer's Name and Address Box (2). A description of the data requirements is at the end of this Bulletin and instructions for preparations are in Part IV.

Copies B, C, and 2 of all W-2's are distributed to the employee.

IV PREPARING, BATCHING AND MAILING COPIES A, 1 AND D OF ALL 6-PART W-2'S

The 6-part W-2's must be prepared in three separate groups—original, corrected and reissued. For each group, a sub-total W-2 is required after each 41st W-2 and after the last W-2 you prepare. The final W-2 for each group should be a total W-2. Instructions for the sub-total and total W-2's are contained on page 6. For each batch, separate Copy A, 1 and D and process as follows:

1. Original W-2's

Submit Copy A, 1 and D so that they are received no later than February 7, 1986.

NOTE: As it was last year, agencies reporting social security deductions for typewritten payrolls will receive additional instructions by the end of December.

2. Corrected W-2's

Submit Copies A, 1 and D, along with the W-2 Correction Worksheet(s) explaining the changes, and all copies of all original W-2's so that they are received in OSC as soon as possible.

3. Reissued W-2's

Submit Copies A, 1 and D. Mark batches REISSUED. Submit so that they will be received in OSC by June 2, 1986.

See page 6 for sub-totals and totals required for all agency prepared W-2's.

Mail all Copies A, 1 and D with required attachments to the Payroll Deduction Section. See Part VI for address.

UNDELIVERABLE AND UNUSED W-2 FORMS

- (a) All copies of the Office of the State Comptroller issued W-2 Forms that are undeliverable must be sent back to the Payroll Deduction Section of the Office of the State Comptroller. The forms must be received in the Office of the State Comptroller by June 2, 1986.
- (b) All blank 6-part W-2's may be retained by the agency for future use. The forms should be stored in a secure location and should not be issued without the authorization of the agency payroll officer.

VI INQUIRIES

- (a) Agency inquiries pertaining to:

1. Federal, State or New York City Withholdings

TO: Revenue Unit, Bureau of Accounts
Office of the State Comptroller
AESOB 4th Floor
Albany, New York 12236
(518-474-8329 Harold Canter).

2. Reissued and amended W-2's, and Social Security Withholdings

TO: Deduction Section-Bureau of Payroll Audit
Office of the State Comptroller
AESOB 8th Floor
Albany, New York 12236
(518-473-1989 Kathy Eldridge)

- (b) Employee inquiries pertaining to W-2's should be directed to the employee's Personnel Office.

VII GENERAL DESCRIPTION OF DATA REQUIREMENTS FOR THE W-2BOX 1 Control Number

Not used.

Form Identifying Numbers - 22222

This box appears only on Copy A of the 6-part set. This number tells the scan equipment used by the Social Security Administration which information document it is scanning.

BOX 2 Employer's Name and Address and Zip Code

Employer's name, address and zip code including the State's Federal ID and Social Security Administration numbers. This data is preprinted on the form. The employee's agency code, line number, and check sort code, if any, appears to the right of the ID Number in this Box.

BOX 3 Not used.

BOX 5 Deceased - Shows "X" if employee is deceased.

Sub-total - Shows "X" in the block.

After every 41st W-2 within an agency, a sub-total W-2 must be printed with the following cumulative money fields for only the preceding 41 forms:

Box 7 Advanced EIC payment, Box 9 - Federal Income Tax Withheld, Box 10 - Wages, Box 11 - Social Security Tax Withheld, Box 13 - Social Security Wages, Box 17 - State Tax Withheld, Box 19 - New York City Tax Withheld and/or Yonkers Tax Withheld.

The last W-2 should be a total of all W-2's being submitted. In addition to totals listed above, enter the total number of W-2's (excluding sub-total W-2's and voided W-2's) in the lower left hand corner of the Employee's Address Block.

Corrections - When it is necessary to correct an Office of the State Comptroller issued W-2 or an agency issued W-2 type in "CORRECTION" in Block 5.

Void - Used by agencies when a W-2 they are preparing is in error. All voided W-2's must be returned to the Office of the State Comptroller.

BOX 7 Advance EIC Payments

Total Earned Income Credit paid to employee.

BOX 8 Employee's Social Security Number

Employee's Social Security Number.

BOX 9 Federal Income Tax Withheld

Total Federal Income Taxes withheld from employee's wages and earnings.

BOX 10 Wages, Tips and Other Compensation

Included in this box are:

- (a) Salary paid in the calendar year 1985.
- (b) Payments In Lieu of Expense.
- (c) Taxable Fringe Benefit Amount.

Excluded from the amount in this box are:

- (d) Non-taxable Maintenance (Maintenance for convenience of employer).
- (e) Annuity payments per Section 403-b of the IRS Code and Deferred Compensation.

NOTE: Non-taxable maintenance, Deferred Compensation and annuity payments are reported in Block A and Block B on the W-2. The YTD GROSS balance on the PAYROLL YTD SUMMARY REGISTER (PRG-1) includes non-taxable maintenance and/or Deferred Compensation and annuity. However, both the W-2's and W-2 SUMMARY LISTING (PRG-16) exclude these amounts from the gross.

BOX 11 Social Security Withheld

Shows the total employee Social Security tax deducted in that agency.

BOX 12 Employee's Name (First, Middle, Last) and Address

Employee's first, middle and last name and address, if any.

NOTE: On the 6-part form, the employee's address appears in BOX 15.

BOX 13 Social Security Wages

Shows the total wages subject to Social Security taxes.

NOTE: Non-taxable maintenance is no longer included in FICA Wages.

BOX 15 Employee's Address

This box appears only on the 6-part form.

BOX 16 Name of State

Shows New York (preprinted).

BOX 17 State Tax Withheld

Shows total New York State Income Tax withheld from employee.

BOX 18 Name of Locality

Shows name of locality if local income tax was withheld for New York City and/or Yonkers.

BOX 19 Local Tax Withheld

Shows total local tax withheld, if applicable. If both, print New York City Tax Withheld on top and Yonkers Tax Withheld directly below in the same box.

BLOCK A & B

A - MAINTENANCE FOR CONVENIENCE OF EMPLOYER consists of:

All non-taxable maintenance in calendar year (excluded from BOX 10).

B - ANNUITY SECTION 403-b AND DEFERRED COMPENSATION consists of:

All exempt annuity and Deferred Compensation in the calendar year (excluded from BOX 10).

BOX 20 Taxable Fringe Benefits

Shows the Taxable Fringe Benefit Amount. (This amount is included in Block 10.)